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### United States Senate

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS WASHINGTON, DC 20510-6175

HICHARD M. BUSSELL, MAJORITY STAFF DIRECTOR GABRIELLE BATKIN, MINORITY STAFF DIRECTOR

115th Congress 1st Session

### **United States Senate**

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

### **COMMITTEE RESOLUTION**

### **LEASE** DEPARTMENT OF HOMELAND SECURITY FEDERAL EMERGENCY MANAGEMENT AGENCY WASHINGTON, DC PDC-02-WA17

### RESOLVED BY THE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS OF THE UNITED STATES SENATE

that pursuant to title 40 U.S.C. § 3307, a prospectus providing for a lease of approximately 303,546 rentable square feet of space, including approximately 17 official parking spaces, for the Department of Homeland Security (DHS) Federal Emergency Management Agency (FEMA), currently located at Federal Center Plaza I at 500 C Street SW, Washington DC, at a maximum proposed rental rate of \$47 per rentable square foot, at a proposed total annual cost of \$14,266,662 for a lease term of up to 1 year from the date of expiration, a description of which is attached hereto and by reference made part of this resolution, is approved.

Approval of this prospectus constitutes authority to execute an interim lease for all tenants, if necessary, prior to execution of the new lease.

Provided, that to the maximum extent practicable, the Administrator of General Services shall require that the procurement include energy efficiency requirements as would be required for the construction of a federal building.

Provided further, that the Administrator shall require that the delineated area of the procurement is identical to the delineated area included in the prospectus, except that, if the Administrator determines that the delineated area of the procurement should not be identical to the delineated area included in the prospectus, the Administrator shall provide an explanatory statement to the Committee on Environment and Public Works of the United States Senate prior to exercising any lease authority provided in this resolution.

Provided further, that the Administrator shall provide to the Chairman or Ranking Member of the Committee on Environment and Public Works of the Senate, in a timely manner, requested documents and information regarding this prospectus and resulting contractual materials, without redaction other than redactions to exclude business confidential, proprietary, and/or procurement sensitive information. Provided further, that the Administrator shall not delegate to any other agency the authority granted by this resolution.

Chairman

Ranking Member

Adopted: November 29, 2017

## PROSPECTUS – LEASE DEPARTMENT OF HOMELAND SECURITY FEDERAL EMERGENCY MANAGEMENT AGENCY WASHINGTON, DC

Prospectus Number: PDC-02-WA17

### **Executive Summary**

The General Services Administration (GSA) proposes a lease for approximately 303,546 rentable square feet (RSF) for the Department of Homeland Security (DHS) Federal Emergency Management Agency (FEMA) headquarters currently located in Federal Center Plaza I at 500 C Street SW in Washington, DC. The lease will provide housing for the agency prior to its planned move to the St. Elizabeths campus in accordance with the Enhanced Plan for the DHS headquarters consolidation.

### Description

Occupant: Federal Emergency Management

Agency Extension

Lease Type Extension
Current Rentable Square Feet (RSF) 303,546 (Current RSF/USF = 1.10)

Estimated Maximum RSF: 303,546 (Proposed RSF/USF = 1.10) Expansion/Reduction RSF: None

Current Usable Square Feet/Person: 134
Estimated Usable Square Feet/Person: 134

Proposed Maximum Leasing Authority: Up to 1 year from date of expiration Expiration Dates of Current Leases: 08/16/2019

Delineated Area: Washington, DC, Central Employment

Number of Official Parking Spaces<sup>1</sup>: Area

Scoring: Operating Lease Estimated Rental Rate<sup>2</sup>: \$47.00/RSF

EstimatedTotal Annual Cost<sup>3</sup>: \$14,266,662 Current Total Annual Cost: \$11,894,682

<sup>&</sup>lt;sup>1</sup> FEMA security requirements necessitate control of the parking at a leased location. This control is accomplished as a separate operating agreement with the lessor.

<sup>&</sup>lt;sup>2</sup> This estimate is for fiscal year 2019 and may be escalated by 2.1 percent annually to the effective date of the lease to account for inflation. GSA will conduct the procurement using prevailing market rental rates as a benchmark for negotiating this lease to ensure that lease award is made in the best interest of the Government. The proposed rental rate is fully serviced including all operating expenses whether paid by the lessor or directly by the Government.

<sup>&</sup>lt;sup>3</sup> New leases may contain an escalation clause to provide for annual changes in real estate taxes and operating costs.

## PROSPECTUS – LEASE DEPARTMENT OF HOMELAND SECURITY FEDERAL EMERGENCY MANAGEMENT AGENCY WASHINGTON, DC

Prospectus Number: PDC-02-WA17

### Background

FEMA's mission is to support Americans and first responders to ensure that as a Nation we work together to build, sustain, and improve our capability to prepare for, protect against, respond to, recover from, and mitigate all hazards. The Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 100-707, signed into law November 23, 1988, amended the Disaster Relief Act of 1974, Public Law 93-288. It created the system in place today by which a Presidential Disaster Declaration of an emergency triggers financial and physical assistance through FEMA. The Act gives FEMA the responsibility for coordinating government-wide relief efforts.

### **Justification**

The lease at Federal Center Plaza I at 500 C Street SW in Washington, DC, expires prior to FEMA's planned move to St. Elizabeths campus under the Enhanced Plan. GSA currently pays approximately \$11.9 million in annual rent for the leases that are proposed to be housed in this extension, a cost to the Government and taxpayer that will no longer be incurred once the Enhanced Plan is fully executed. Therefore, authorization is needed to extend the lease for a short term to align with the move to St. Elizabeths. FEMA will realize a smaller footprint and an improved utilization rate once the agency moves to St. Elizabeths.

The President's Fiscal Year (FY) 2017 budget proposed the funding necessary to complete the design and construction of a new facility to house FEMA at the St. Elizabeths campus. As presented in the FY 2017 capital program prospectus in support of the DHS consolidation at St. Elizabeths, GSA anticipates that construction completion of the new FEMA facility will occur in FY 2019.

#### Resolutions of Approval

Resolutions adopted by the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works approving this prospectus will constitute approval to make appropriations to lease space in a facility that will yield the required rentable area.

### **PROSPECTUS - LEASE** DEPARTMENT OF HOMELAND SECURITY FEDERAL EMERGENCY MANAGEMENT AGENCY WASHINGTON, DC

Prospectus Number: PDC-02-WA17

Interim Leasing	In	teri	m	Lea	sin	ıΩ
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GSA will execute such interim leasing actions as are necessary to ensure continued housing of the tenant agency prior to the effective date of the new lease. It is in the best interest of the Government to avert the financial risk of holdover tenancy.

Certification of Ne	<u>ed</u>
The proposed project	et is the best solution to meet a validated Government need.
Submitted at Washi	ngton, DC, on August 19, 2016
Recommended:	1102
	Commissioner, Public Buildings Service
Approved:	Denise T. Roth

Administrator, General Services Administration

## Federal Emergency Management Agency Department of Homeland Security Housing Plan

September 2015

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			CURRENT	EN					ESTIMATEDIA	LACTUSED		
Leased Locations	Personnel	mel		Usable Square Feet (USF)	Feet (USF)		Personnel	nel		Usable Square Fect (USF)	Fect (USF)	
	Office	Total	Office	Storage	Special	Total	Office	Total	Office	Storage	Special	Total
500 C Street, SW, Washington, DC	2,047	2,047	196,290	1,248	689,77	275,227						
Estimated/Proposed Lease							2,047	2,047	196,290	1,248	77,689	275,227
Total	2,047	2,047	196,290	. 1,248	689'11	275,227	2,047	2,047	196,290	1,248	42,00	275,227

	Current	Proposed
Rate	7.5	51
UR = average amount of office space per person		
Current UR excludes 43,184 usf of office support space		
Proposed UR excludes 43,184 usf of office support space	၁၁	
•		
Overall UR		
	Current	Proposed

Office Utilization Rate (UR)2

	Current	Proposed	
Rate	134	134	
R/U Factor*	ıctor		
	Total USF	RSF/USF	Max RSF
rent	275,227	1.10	303,546
mated/Proposed	275,227	1.10	303,546

# Estimated/Proposed NOTES:

Special Space	USF
Conference / Training	18,440
Pantry / Break	5,291
Health Unit	857
SCIF	15,732
Command Center (NRCC)	10,626
Lactation Rooms	255
Private Toilet	141
Accountable Property Storage	3,167
Print / Graphic / Copy / Mail	5,734
TV Studio	0.09
Press Room	1,697
Lab	4,026
AV Room	155
Inter. Dist. Frame	4,831
Security Command Center	2,107
Security Lab	1,096
Ant / Gen / UPS / Quick Con	1,534
Mechanical Rooms	1,330
Total	689 LL

<sup>&</sup>lt;sup>1</sup>USF means the portion of the building available for use by a tenant's personnel and furnishings and space available jointly to the occupants of the building.

<sup>2</sup>Calculation excludes Judiciary, Congress and agencies with less than 10 people

<sup>3</sup>USF/Person = housing plan total USF divided by total personnel. 1.20 RSF/USF is GSA standard for new leases to expand competitive market.

<sup>4</sup>R/U Factor = Max RSF divided by total USF